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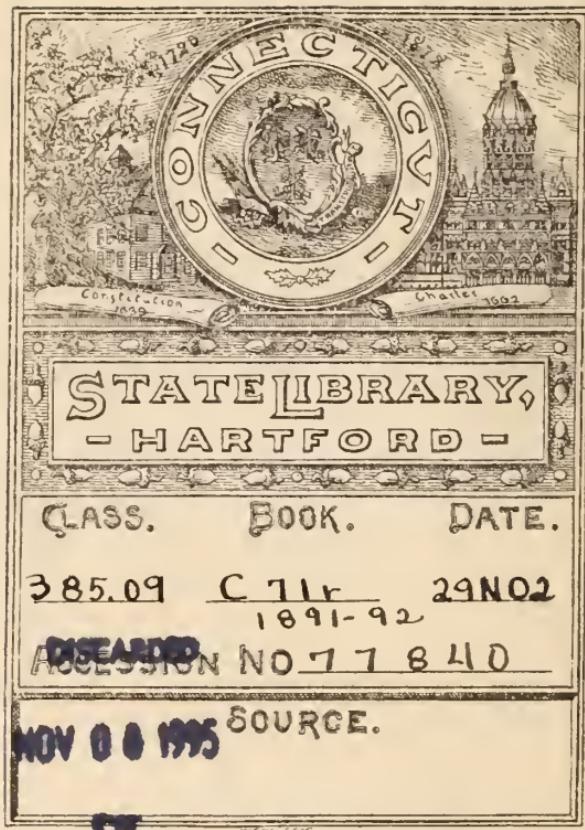
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BIENNIAL REPORT
RAILROAD COMMISSIONER
STATE OF COLORADO

1891-1892



BIENNIAL REPORT

OF THE

Railroad Commissioner

OF THE

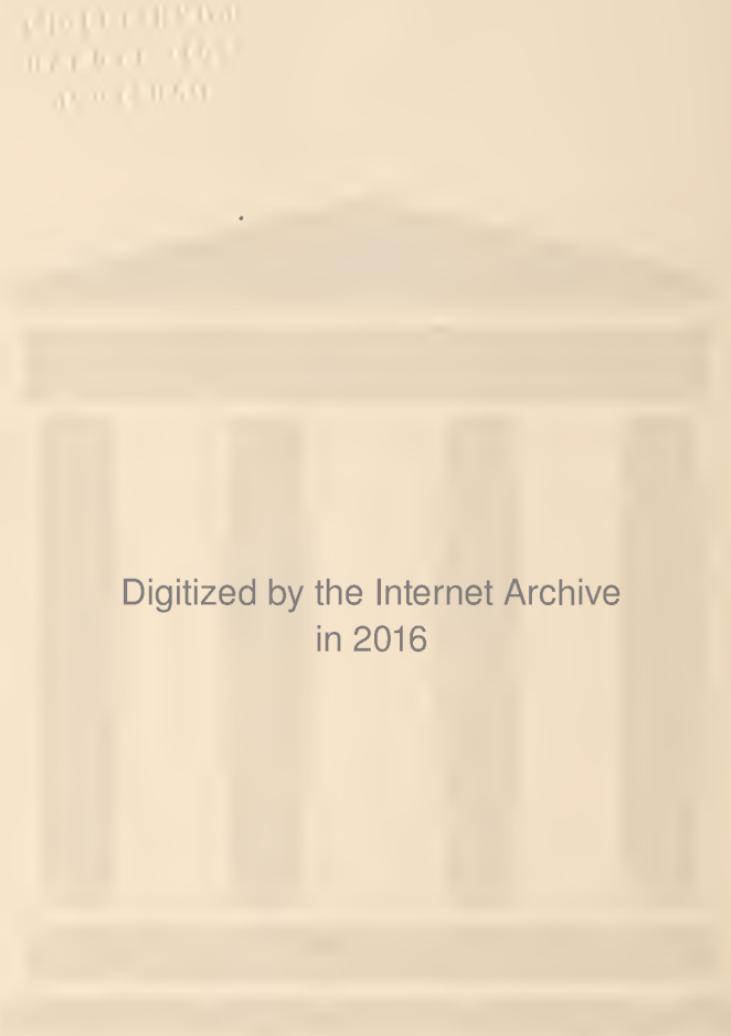
STATE OF COLORADO

FOR

THE YEARS 1891 AND 1892.



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REPORT.

OFFICE OF THE RAILROAD COMMISSIONER, }
DENVER, COLORADO, December 31, 1892. }

To HIS EXCELLENCY,

JOHN L. ROUTT,

Governor of the State of Colorado.

SIR—In compliance with the provisions of the statute creating the office of Railroad Commissioner of the State of Colorado, I have the honor to submit the following report of the proceedings had in this department, covering a period from May 1, 1891, to the 31st of December, 1892.

Having received the appointment as Railroad Commissioner for the State of Colorado on the 10th day of April, 1891, I proceeded to comply with the provisions of the statute by filing a bond in the sum of \$20,000, together with the oath of office, with the Secretary of State.

This office was created by act of Assembly, approved April 6, 1885, and by virtue of its provisions the Hon. William B. Felker was appointed by the Governor as Railroad Commissioner. Judge Felker's report, dated January 30, 1885, is the last one that has been published by this department.

During the month of May, 1891, the honorable Secretary of State furnished this department with offices, office furniture, etc., in accordance with section

3 of the above-named act, and during that month active steps were taken by me to set the machinery of the department in motion.

There has been for the last ten years an earnest desire on the part of the people of Colorado for general railroad legislation. Commencing with the legislative session of 1881 there has been a determined opposition by the railroad corporations of the State to the enacting of any railroad legislation whatever, and they have measurably succeeded in carrying out their wishes in opposition to the will of the people of the State.

The act of 1885, under which this department is now operating, was passed by the Fifth General Assembly in the face of the most bitter opposition that could be offered to any measure that looked towards the public good. There has been at all times, since the admission of this State into the Union in 1876, existing a growing desire on the part of the people for legislative control of railroad corporations operating within our borders.

Every political party that has presented itself or its candidates for the suffrages of the people of Colorado have placed themselves on record as being in favor of, and pledging themselves to, the enacting of laws governing the operations of railroad corporations in this State. By what means or through what influences these pledges to the people of this State have been broken, does not become me at this time to state.

That there is an universal desire on the part of a very large majority of the citizens of Colorado for railroad legislation of the kind that will give a railroad commission or railroad commissioner undoubted power to regulate the rates of freight and passengers, there can be no question. True it is, that during the last five sessions of our Legislature the members of both House and Senate have been besieged by some of their constituents to refrain from passing any railroad legislation; but when these protests are analyzed, and the names become known of the signers thereto, it is at once seen that they are persons who either act from purely selfish and personal motives, many of them being large receivers and shippers of freight, who have received from the different railroad corporations large sums of money in the way of rebates, others being the attorneys of the several corporations within the State.

Owing to the fact that the last Legislature failed to make an appropriation for carrying on the business of this department I regret to say it will be impossible to publish the numerous statistics that I have gathered respecting the operations of railroads within the State of Colorado. I have them, however, in an official form, as filled up and sworn to by the officers of the several railroad corporations doing business within the State, and they can at all times be found among the records of this department. During my term of office, I have gathered from the different states within the Union, who have to a greater or lesser extent legislative control of railroad corporations, the annual reports of such railroad commissioners as they have published, forming in itself quite a respectable library. The usual "stock in trade" argument of corporation attorneys before legislative committees, when arguing against legislative control of the railroads in Colorado, has been that there are but six or seven states in the Union who in any way seek to control the rates of freight or passengers within their borders. The reports of the railroad commissioners that I have collected, as above stated, will give the surest and strongest denial to these statements. There are thirty-two states within this Union who have enacted laws, the provisions of which confer on their commissioners, in some way or other, the power to control the operations of railroads within their boundaries, many of them going so far as to give the railroad commissioners the absolute power to fix rates of freight and passengers, and to publish a schedule of such rates, by which the railroad companies must be governed.

At all times, within the states that now have legislative control of railroad corporations, the railroads have fought, step by step, against any laws being enacted that would look toward any interference on the part of the state or the people with the control, direction and operation of their several railroads; but invariably the people have come off victorious in such contests, and so far as I can see, the railroad corporations in the states of this Union where the rate-making power is vested in a board of commissioners, are not injured in any manner by the rules and regulations that the commissioners make.

DISCRIMINATING RATES.

The first thing that was brought to my attention, in my official capacity, was the charge that the Denver & Rio Grande Railroad and the Midland Railway Company were allowing rebates, and making unjust, discriminating and special rates along the lines of their roads. I proceeded to investigate the same, and summoned before the department, A. S. Hughes, Esq., general traffic manager of the Denver & Rio Grande, and H. Collbran, Esq., general manager of the Midland Railway Company. After an examination of both these gentlemen they positively and unqualifiedly denied that any discriminating rates existed. I closed the examination, and herewith make the testimony in those cases a part of this report.

REDUCTION OF RATES.

For years past there has been great complaint by the shippers and receivers of freight in both Gilpin and Clear Creek counties, against the Union Pacific Railway, charging that company with exacting extortionate rates from the people of those counties; and although, in an unofficial capacity, I had been measurably instrumental in obtaining from the Union Pacific, on two former occasions, reductions in the rates of freight to and from points on the line of the Colorado Central Railroad, and although, prior to my appointment as Railroad Commissioner by your Excellency, the general traffic manager of the Union Pacific Railway Company had personally pledged his word to many of the citizens of Clear Creek and Gilpin counties, as well as to myself, that a still further reduction would be made in the early part of 1891, I felt it my duty as a servant of the people to call earnestly and vigorously on the officials of that road to make these promises good, and to grant the people of Gilpin and Clear Creek counties relief in the way of an immediate reduction in the then existing freight rates. On May 1, 1891, a material reduction of freight rates to points on the line of the Colorado Central Railroad, Union Pacific System, went into effect; the result of which can be seen by reference to the following table, which gives the traffic between the several

points on what is known as the Colorado Central road, with the number of pounds of freight received and shipped from said points, and the saving in dollars and cents resulting to the people of those counties.

BIENNIAL REPORT

AMOUNT OF REDUCTIONS IN THE RATES

OF FREIGHT TO AND FROM ARGO AND DENVER AND POINTS IN CLEAR CREEK AND GILPIN COUNTIES, FROM MAY 1, 1891, TO DECEMBER 31, 1891, AS COMPARED WITH THE FREIGHT TARIFFS EXISTING PRIOR TO MAY 1, 1891.

NAME OF STATION.	Freight forwarded (pounds).	Reduction on freight forwarded.	Freight received (pounds).	Reduction on freight received.	Total freight forwarded and received (pounds).	Total reduction on freight forwarded and received.
Chimney Gulch.....	.....	.....	3,580	\$ 19	3,580	\$ 19
Guy Gulch.....	.....	.....	64,220	4 90	64,220	4 90
Beaver Brook.....	.....	.....	2,500	.....	2,500	.....
Elk Creek.....	.....	.....	5,300	37	5,300	37
Big Hill.....	600	.....	28,847	1 33	29,447	1 33
Forks Creek.....	2,055	\$ 27	18,680	2 37	20,735	2 64
Black Hawk.....	44,206,197	5,571 36	37,366,867	1,927 56	47,943,064	7,498 92
Central City.....	197,065	109 80	3,965,780	2,011 39	4,162,845	2,121 19
Idaho Springs.....	18,126,532	4,298 40	5,950,260	3,370 26	24,076,792	7,668 66
Dumont.....	356,100	90 59	122,325	83 33	478,425	173 92
Lawson.....	1,933,538	50 37	2,228,344	1,619 10	4,191,882	2,129 47
Empire.....	.....	.....	127,943	162 78	127,943	162 78

Georgetown.....	13,719,184	4,027 86	13,577,742	9,965 65	27,296,926	13,990 51
Silver Plume.....	5,152,444	2,180 58	4,876,740	3,118 55	10,029,184	5,299 13
Hamill's Quarry.....	52,000	46 80	-----	-----	52,000	46 80
Graymont.....	779,000	288 75	-----	-----	770,000	288 75
Totals.....	84,545,715	\$ 17,124 78	34,709,128	\$ 24,264 78	119,254,843	\$ 39,389 56

A saving of thirty-nine thousand three hundred and eighty-nine and 56-100 dollars (\$39,389.56) to the people of Clear Creek and Gilpin counties, in the short space of eight months, counts for something.

This tariff, however, was not what the people of Gilpin and Clear Creek counties had a right to expect, and was not in any way satisfactory to the Railroad Commissioner. As the result of a long correspondence between this department and S. H. H. Clark, Esq., vice-president and general manager, and E. Dickinson, Esq., assistant general manager, the then traffic manager of the Union Pacific, Mr. Mellon, visited in person (together with Mr. Deuel, general superintendent of the Colorado division; Mr. Fred. Wild, Jr., assistant general freight agent) the citizens of Idaho Springs, Georgetown, Silver Plume, and other points on the line of the Colorado Central railroad, and after an earnest and complete discussion the tariff of January 1, 1892, making a still further reduction from the tariff of May, 1891, went into effect. This latter tariff is, so far as I can learn, very satisfactory to the people of Gilpin county, but not so much so to the people of Clear Creek county.

There appeared to be on the part of the people of Georgetown and Silver Plume, in Clear Creek county, a desire to test the powers of the Railroad Commissioner as to his authority to fix rates by car-load lots, and in furtherance of that purpose a petition was filed in this department, signed by almost all the principal receivers and shippers of goods in Georgetown and Silver Plume, asking that the Commissioner establish rates on the line of the Union Pacific system within the State of Colorado, especially to and from points in Clear Creek county. This petition related solely to the rates of freight charged to and from Silver Plume and Georgetown.

There has never been a doubt in my mind that section 7 of the act of April 6, 1885, conferred on the Railroad Commissioner the power to make rates in car-load lots that shall be less than rates charged on quantities less than car-load lots. In this opinion I am fully sustained by the Attorney General of the State.

ATTORNEY GENERAL'S OFFICE,
DENVER, COLORADO, September 24, 1891. {

HON. W. A. HAMILL,

Railroad Commissioner, State of Colorado.

SIR—I am in receipt of your letter of the 22 inst., asking my opinion with reference to the powers conferred upon you by section 7 of "an act concerning railroads," etc., approved April 6, 1885.

In reply, permit me to say that it is my opinion that said section, by implication, confers upon you power to make a lower rate per ton per mile, in car-load lots, than shall govern shipments in less quantities than car-load lots; and also, to make lower rates for lots of not less than five car loads than for single car-load lots, except in cases otherwise provided for in said section. Of course, rates so fixed by you must be reasonable.

Very respectfully,

Jos. H. MAUPIN,

Attorney General.

The petition now under review gave cause for a long, extended and exhaustive discussion as to the reasonableness of the rates charged to Georgetown and Silver Plume, and culminated in the Commissioner notifying the Union Pacific officials that certain rates had been by him established, and that he would enforce them even if compelled to call on the courts of the State to enforce his order. The local counsel of the Union Pacific system, Messrs. Teller & Orahood, advised their clients to endeavor to meet the views of the Railroad Commissioner and avoid, if possible, any litigation, and greatly owing to the efforts of Messrs. Teller & Orahood, a meeting between E. Dickinson, Esq., general manager; Judge Kelley, assistant general counsel; Mr. Monroe, general traffic manager; Mr. Deuel, general superintendent of the Colorado division; Mr. Wild, assistant general freight agent Colorado division, was had at the office of the Commissioner in the Boston building, on May 17, 1892, and after a discussion ranging over two or three days, it was finally agreed on the part of the Union Pacific officials that a further reduction should be made on ores from Georgetown and Silver Plume to Argo and Denver. This agreement went into effect on June 1, last, and is the third and last reduction on rates of freight that has been made by the Union Pacific Company since the present Commissioner was appointed to office.

The benefits accruing to the people of Gilpin and Clear Creek counties can be seen at a glance by perusing the following statistics of freight received and forwarded from points on the Colorado Central railroad, Union Pacific system, to Argo and Denver.

AMOUNT OF REDUCTION ON FREIGHT FORWARDED AND RECEIVED

AT STATIONS ON THE GEORGETOWN AND CENTRAL CITY DIVISION OF THE COLORADO CENTRAL RAILROAD, FROM JANUARY 1 TO DECEMBER 31, 1892, INCLUSIVE, AS COMPARED WITH FREIGHT RATES EXISTING PRIOR TO MAY 1, 1891.

NAME OF STATION.	Freight forwarded (pounds).	Reduction on freight forwarded.	Freight received (pounds).	Reduction on freight received.	Total freight forwarded and received (pounds)	Total reduction on freight forwarded and received.
Chimney Gulch .....	.....	.....	4,310	.....	4,310	.....
Guy Gulch	500	.....	5,758	.....	6,258	.....
Beaver Brook	1,207,000	\$ 128 00	41,181	.....	1,248,181	\$ 128 00
Elk Creek .....	.....	.....	14,098	\$ 25	14,098	25
Big Hill	900	08	3,790	04	4,690	12
Forks Creek	14,830	2 24	65,374	6 49	80,204	8 73
Idaho Springs	18,094,193	6,023 17	20,165,138	12,544 35	38,259,331	18,567 52
Dumont	303,810	175 32	336,514	271 02	640,324	446 34
Lawson	1,808,148	790 58	3,541,935	2,510 39	5,350,083	3,300 97
Empire .....	.....	.....	465,371	460 81	465,371	460 81
Georgetown	23,680,390	11,973 07	18,589,660	12,687 33	42,270,050	24,660 60
Silver Plume	16,374,969	9,014 68	12,998,36	7,120 98	29,373,805	16,135 66

Hamill's Quarry							
Graymont	472,000	177.00	16,000	18.80	16,000	18.80	
Black Hawk	\$8,889,485	22,797.74	45,490,530	19,661.48	472,000	177.00	
Central City	412,070	291.17	7,245,775	4,505.11	104,380.015	42,459.22	
Totals	121,258,295	\$ 51,373.05	108,984,270	\$ 59,787.25	7,657,845	4,796.28	
					230,242.565	\$ 111,160.30	

The total saving to the people of these two counties from May 1, 1891, to the 31st day of December, 1892, as compared with the tariff rates prior to May 1, 1891, foots up a total of \$150,549.86.

The tonnage on the Colorado Central Railroad, Union Pacific system, has increased nearly 20 per cent. during the past year, and in my opinion has more than compensated to the Union Pacific for the reductions they have accorded to the people of these two counties.

There have been a number of individual complaints made to this department by citizens of Jefferson, Gilpin and Clear Creek counties, alleging excessive rates on coal from Golden to points in Gilpin and Clear Creek counties, but as they have not been put in a legal form, although I have requested the parties making them to do so, I have not taken any official action on the same. With respect to the existing rates on the line of the Colorado Central, Union Pacific system, I have received many complimentary and congratulatory letters, evidencing the fact that the people of these two counties are measurably well satisfied with the present freight tariff, possibly with the exception of ore down from Georgetown and Silver Plume, and coal up to these two towns.

On other lines of roads within the state, I have found a desire on the part of railroad officials, notably the Denver & Rio Grande Railroad Company, to adjust any reasonable complaints that shippers and receivers on the line of their roads make to this department.

ACCIDENTS.

The growing increase in the number of railroad accidents throughout the country calls for the earnest attention of our Legislature. Laws should be enacted compelling the railroads operating within this State to adopt improved safety couplings and other appliances that will insure greater safety to the traveling public, as well as to the railroad employes. There are killed and injured every year by the railroads of the United States more persons than the British loss in killed and wounded at the notable battle of Waterloo. The statistics are simply appalling. During the fiscal year ending June 30, 1890, there were 2,451 railroad employes killed and 22,396 railroad employes injured, and during the same period there were 3,598 passengers and others killed and 4,206 injured, making a grand total of 6,049 killed

and 26,602 injured. Surely something should be done in the direction of relieving the great army of railroad employes in the United States from their extra hazardous duties. In many of the States laws have already been passed, which go into effect in the near future, compelling all railroad companies to use the latest and best improved train brakes, automatic couplers and other safety appliances.

The following table shows the number of killed and injured on the different railroads within the State, with the exception of the Chicago, Burlington & Quincy railroad, who have failed to make a report to this department:

ACCIDENTS TO PERSONS FROM JULY 1, 1891,
TO DECEMBER 31, 1892.

RAILROADS.	Killed.	Injured	REMARKS.
Atchison, Topeka & Santa Fe.....	6	12	-----
Burlington & Missouri River.....	-----	-----	No report
Chicago, Rock Island & Pacific.....	-----	-----	No accidents reported
Colorado Eastern.....	-----	-----	No accidents reported
Colorado Midland.....	28	5	Date of last accident reported, Oct. 28, 1892
Denver & Rio Grande.....	26	67	Date of last accident reported, Dec. 1, 1892
Denver, Lakewood & Golden.....	-----	-----	No accidents reported
Gilpin Tramway.....	-----	-----	No accidents reported
Manitou & Pike's Peak.....	2	1	Date of last accident reported, July 4, 1892
Pueblo & State Line.....	-----	-----	No accidents reported
Rio Grande Western.....	2	3	Date of last accident reported, May 27, 1892
Rio Grande Southern.....	-----	6	Date of last accident reported, Sept. 30, '92
Rio Grande Junction.....	-----	-----	No accidents reported
Silverton.....	-----	-----	No accidents reported
Union Pacific.....	4	104	Date of last accident reported, Nov. 18, '92
Total.....	68	198	

I cannot refrain from censuring the action of those railroad officials, operating roads within the State of Colorado, who have refused or neglected to report to

this department the date and nature of any accident occurring on their road, together with the name and number of killed and injured. Some railway officials claim that they do not keep any record of such accidents, and that there is no way in which they can fill out blanks that have been furnished them by this department.

The laws of this state *compel* the several railroads operating in this state to give the date and the brand of any *cattle* that they may kill or injure on the line of their several roads, and the law imposes a penalty for failure to keep such report. Surely if it is good for the stock-grower to be protected in his rights of property, and the railroad companies be compelled to keep a record of any cattle that they may kill or injure on the line of their road, it is but an act of common humanity that the railroads of this state be compelled, by statute, under severe penalties of both fine and imprisonment, to keep a record of every accident occurring on their line of road resulting in loss of life or injury to persons, whether they be railroad employes, first-class passengers, what is known as trespassers on railroads, (*i. e.*, persons walking along the track), or tramps.

The general superintendent, or local manager, or local agent, of every road within the State of Colorado, should be compelled to immediately report to the Railroad Commissioner the occurrence of any accident on any part of any road within or under such official's control.

During July, 1891, there occurred a serious accident on the line of the Midland Railway at Aspen Junction, resulting in loss of life and serious injury to a number of persons. Believing that, under the statute, it was my duty to make a personal examination of the causes of said accident, I addressed a letter to the Auditor of State as follows:

STATE OF COLORADO,
RAILROAD COMMISSIONER'S OFFICE,
DENVER, July 13, 1891.

HON. J. M. HENDERSON,

Auditor of State, Denver, Colorado:

DEAR SIR—I beg to refer you to section 17 (Accidents), act of April 6, 1885, entitled "An act concerning railroads and railroad corporations," which reads as follows:

"Upon the occurrence of any serious accident upon any railroad which shall result in bodily harm or loss of life to either passenger, employe or other person, the corporation operating the road upon which the accident occurred shall give immediate notice thereof to the Railroad Commissioner, whose duty it shall be, if he deem it necessary, to investigate the same and to promptly report to the Governor the extent of personal injury or loss of life; and whether the same was the result of mismanagement or neglect of the corporation that operates the line on which the injury or loss of life occurred."

This morning's daily papers give an account of a very sad accident at Aspen Junction, on the line of the Midland Railway, in either Eagle or Pitkin counties, resulting in the death, so far as reported, of six persons and the seriously injuring of some twenty odd others. I am exceedingly desirous of making a full investigation of the accident, as directed by the statute above quoted.

A specific appropriation for the carrying out of the provisions of the act of April 6, 1885, failed to pass the lower branch of the legislature.

I beg also to refer you to section 13 of same act, as follows:

"The expenses hereinbefore provided for * * * shall be paid quarterly from the state treasury."

In view of this section, and also in view of this awful calamity which has already brought sorrow to the hearts of some six families, would you audit and issue a warrant for the necessary expenses incurred in making such examination of the cause of said accident, as the law contemplates, and as I know the people of the State of Colorado desire;

Very respectfully,

Your obedient servant,

W. A. HAMILT,

Railroad Commissioner.

To which I received the following reply:

STATE OF COLORADO, }
AUDITOR'S OFFICE, }
DENVER. }

HON. W. A. HAMILT,

Railroad Commissioner,

Denver, Colorado:

DEAR SIR—In reply to your letter of the 13th inst. I beg to refer you to Section 33, Article 5 of the Constitution of Colorado, which, in my judgment, explicitly prohibits a compliance with your request.

Very respectfully,

JOHN M. HENDERSON,

Auditor of State.

This, of course, settled the question of my being able to make a personal examination of any accident that might occur within the State of Colorado during my term of office.

It would be useless to make such investigations without the aid at least of a competent stenographer, whose expenses should be paid by the State. I have, therefore, not attempted to make any personal examination of the several accidents occurring throughout the State, for the reason there has been no appropriation to cover the expenses of a stenographer, or other assistant that might be necessary to make such examination of any use whatever.

On the 13th day of September, 1891, there occurred on the line of what is commonly known as the Colorado Central railway, Union Pacific system, an accident at or near a station called Beaver Brook, resulting in the overturning of two baggage cars and three passenger cars. Three of these cars completely overturned and landed in the bed of Clear creek, and had it occurred in the summer season when the water in that creek is at its height, it must have resulted in great loss of life. On the following morning, on my way from Georgetown to Denver, I made a personal examination of the track and surroundings at the point where the accident occurred, and I am satisfied that it was solely owing to the short curve on the road at this point, and the length of the train (it being composed of two baggage cars and eight passenger cars); the train was being drawn by two locomotives; as they started the rear four cars operating, as it were, as a dead weight, compelling the engines to straighten out the bow of the train, the middle cars and the rear baggage car being literally lifted up by the straightening out process and dropped into Clear creek.

BRIDGES AND CULVERTS.

Owing to the want of an appropriation by the Legislature there has been no scientific examination of the bridges and culverts on the different railroads within this State. This is a matter of very serious consideration, and should at once be provided for by the present Legislature. A number of railroad bridges that now exist within this State were constructed with a view of carrying much lighter weights than is now passing over them, and I am fearful that at some time

in the future, unless they are scientifically tested and found to have a carrying capacity that the traffic of Colorado now demands, great loss of life may at some time occur owing to defective or weak bridges. No one but an expert railroad bridge engineer can make these examinations and tests with any degree of satisfaction. But no matter at whatever cost it may be these examinations and tests should be made immediately. The first duty of the State to its citizens is to protect their lives and property.

MEETING OF RAILROAD COMMISSIONERS.

A convention of state and national commissioners was held at Washington, D. C., on the 13th day of April, 1892. The meeting was attended very generally by commissioners from the different states of the Union, Railroad Managers, Railroad Accountants and others, and was highly interesting and instructive; but I regret to say that, owing to a failure on the part of the last Legislature to make any appropriation for the expenses of this department, I was unable to attend or have a representative of this department attend in my place. I think I cannot do, however, much better than quote the following from a letter read at the convention, from Judge Cooley, formerly chairman of the Inter-State Commerce Commission. He says:

"The usefulness of these conventions will be proportioned to the extent with which, through the joint discussions and comparisons of views, which take place here, the national and state regulation of railways is brought into conformity. It is remarkable that up to this time there has been so little, I will not say conflict, but even diversity of action between the National and State Commissioners; indeed, I recall no instance at this time when anything done by the one has seemed to me to afford just ground for complaint by the other. This may justly be attributed to the fact that there has been no purpose on the part of *either* to do any act that would afford ground for just complaint on the part of the managers of the business regulated, and no desire to do anything else than to comply with the rules of right and equality for the protection of the general public. The aim of all regulation ought to be justice, and when it is apparent that this is the purpose of the several commissioners, the railroad managers of the country may more reasonably be expected to co-operate with them much more generally than they do now."

"I take the liberty of adding one more thought, that the more perfect is railroad legislation, the less we shall hear of transportation by rail being made a government function; the general government making purchases of all the roads and entering upon a course that will lead we know not where or into what disasters."

EXPRESS RATES.

Many of the express companies doing business in Colorado charge what seems to me to be exorbitant rates, and although it is supposed that they are confined in their charges to double first-class freight rates, it will be seen upon an examination of the statute that the act now in force, which was passed in 1883, limits the express companies to charging "double first-class freight rates, as they *now* exist." First-class freight rates at the time of the passage of this act were nearly double what they are now, and the act should be amended so as to read: "That on all merchandise no railroad corporation transacting its own express business, or any other company, corporation or association of persons who may transact the express business over any line of railway within this State, shall charge, demand or receive from any shipper or receiver of express freight, more than double first-class freight rates on general merchandise, and no more than one and one-half first-class freight rates on all perishable articles, such as beef, fruits, butter, eggs, vegetables, etc."

My information is that where railroads permit express companies to do the express business over their lines, they exact from such express company first-class rates on all merchandise, whether it be perishable or not, the express company making its profit between the first-class freight rate and the rate it charges the shipper or receiver.

I think it must be admitted that one hundred per cent. on general merchandise and fifty per cent. on perishable goods should be ample compensation for the extra service rendered by express companies.

ANNUAL REPORTS OF RAILROADS.

I have on file in this department exhaustive reports from the following railroads operating within the state:

Denver & Rio Grande Railroad Company,
Colorado Midland Railway Company,

Chicago, Rock Island & Pacific Railway Company,
Chicago, Burlington & Quincy Railroad Company,
Atchison, Topeka & Santa Fe Railroad Company,
Rio Grande Western Railway Company,
Rio Grande Southern Railway Company,
Pueblo & State Line Railroad Company (Missouri
Pacific system).

Manitou & Pike's Peak Railroad Company,
Gilpin Tramway Company,
Colorado Eastern Railroad Company,
Rio Grande Junction Railroad Company.

These are all the roads, with the exception of the Union Pacific, that do business within the State of Colorado, and the reports are extremely interesting and instructive, and should by all means be published as part of the Commissioner's report. I have been in daily expectation of receiving the report of the Union Pacific system, and had hoped to have been able to have reported its receipt by this department, before closing my report to your Excellency.*

*Union Pacific System reports since received.

RAILROAD ASSESSMENTS.

The wonderful growth of the railroads of Colorado can be seen by the following table of yearly assessments, from 1875 up to 1892, having increased from the first date from one million seven hundred and seventy-four thousand and twenty, up to thirty-one millions five hundred and seventy-eight thousand five hundred and thirty-five dollars.

YEARS.	MILES OF RAILROAD.	ASSESSED VALUATION.
1875	Not given	\$ 1,774,020 00
1876	Not given	1,546,015 00
1877	951.48	4,096,413 97
1878	1,085.68	5,013,685 83
1879	1,257.85	7,677,848 20
1880	1,200.15	8,331,292 68
1881	1,584.10	11,638,055 86
1882	2,245.49	17,788,153 24
1883	2,733.45	20,146,872 26
1884	2,831.07	20,859,506 60
1885	2,895.37	20,659,793 31
1886	2,960.03	23,508,367 59
1887	2,954.00	25,412,039 00
1888	3,739.00	31,246,662 00
1889	3,983.09	31,614,606 75
1890	4,044.99	31,185,796 06
1891	4,235.00	32,771,364 41
1892	4,657.00	31,578,535 00

I have with great interest, for a number of years past, watched the growth of the railroad system of this State, and have at all times appreciated the great benefit they have been to the people of Colorado.

I came to Colorado at a time when there was not one mile of railroad, west of the Missouri river, reaching out towards us. I remember occasions when as high as twenty-five cents per pound (\$500 per ton) was paid for drawing mining and milling machinery from Atchison, Kansas, to Gilpin and Clear Creek counties, and when it was impossible to ship ore of any grade whatever from Colorado to the river, and make a profit. Often when hearing the unreasonable accusations made

against the railroad corporations of this State, as to their freight charges, I have wondered into what condition we would relapse, if we went back to the days of the early '60s? Without a mile of railroad within our territory, without a coal bank developed, lime, fire brick and other material that is used by the great smelters of the State, hauled by ox teams, and almost the entire output of the silver mining districts of the State packed to the nearest miniature smelter, or market, on "burros."

CONTROL OF RAILROADS.

The railroad corporate interests of the United States is more than colossal. When we contemplate that the amount of stock and bonds represented by the railroads of this Union aggregate nearly ten thousand millions of dollars (the exact figures being \$9,437,343,420.00), and covering a mileage of 156,404 miles of line and employing nearly one million able-bodied men, to say that this huge corporate interest may float all over this country without State or National control is to invite a corporate monster that would eventually destroy the liberties of the people. Certain it is that the legislators of thirty-two States of this Union have in their wisdom seen fit to control, in one way or another, the operations of the railroad corporations of their respective States, and I would be derelict in my duty if I failed to urge upon the Legislature of this State the passage of a wise, conservative and liberal railroad law. Whether such a law shall create a Board of Railroad Commissioners or confine it to the appointment of one Commissioner, whether such board or commission shall be elected by the people, appointed by the Governor or elected by the Legislature of the State, it is not for me to say.

In my judgment such a commission or commissioner should unquestionably have the power to fix maximum rates of freight and passengers.

Should a Board of Commissioners consisting of three members be created, and should they be appointed by the Governor, or elected by the Legislature, it is my opinion that one member should be so appointed or elected on the recommendation or selection of the different railroad corporations within the state, and should be thoroughly conversant with the traffic and passenger departments of railroads. On such a board,

there should be a member who is a competent railroad engineer, and on the staff of this commission there should be one secretary, one rate expert, one general clerk, one stenographer, and a messenger; with such a Board of Railroad Commissioners, the people of Colorado, in my opinion, would reap an immense benefit in the reduction of rates of freight and passengers, and the affording of better service by the railroads of the state. The expense of such a Board of Commissioners might be defrayed by taxing the railroads so much per mile of track that they have within the state, to an amount equal to one-half the total expense of the commission. I believe that this is customary in a number of states in the Union, and this system is brought more forcibly to my mind when I recall the method that the corporate interests of this state have heretofore pursued to defeat railroad legislation.

RAILROAD STRIKES.

Colorado has fortunately been singularly free, as compared with other states in the Union, from railroad strikes; the most serious one that has occurred during my term of office being that of the telegraph operators on the line of the Chicago, Rock Island & Pacific.

No one can possibly have a greater admiration for the men who pilot our inland commerce, whose hands on the throttle of the engine they control is the guarantee of safety in the hour of night, as we ride from one point to another throughout our grand state, both on the plains and in the mountains. The operator stationed at the key is the sentinel or watchman on guard, giving the signal of approaching danger and to prevent that most fearful scene—the railroad wreck. But with all the admiration for these men that one man can possibly have for his fellow, I am constrained to believe that strikes by railroad employes should be prevented by statute. Railroad employes are essentially the servants of the public and when they take service with the public they have no right to summarily obstruct public travel or public traffic. The state should take charge of the welfare of all railroad employes and to this end, create a Board of Arbitration that should arbitrate all difficulties that may arise between the different classes of laborers employed by the railroad corporations.

The corporations should not be permitted to cut wages without due and fair notice to its employes, nor

should they be permitted to exact longer hours of labor or extra duties without a reasonable notice. On the other hand, in my opinion, the employes of railroads should not be permitted to form strikes and combinations for the purpose of exacting an increase of wages or shorter hours of labor, without giving the railroad corporations due and fair notice; and in the event of such differences arising between the railroad employer and the railroad employe as not being susceptible of adjustment between themselves, they should be referred to a board of arbitration created by the State.

Should the present Legislature see fit to enact a general railroad law creating a board of railroad commissioners, such a commission might be a board of arbitration as between railroads and their employes.

RAILROAD MILEAGE.

The following table will give the length of road owned and controlled by each corporation doing business within the State of Colorado, both main and side-track :

	Miles main line.	Side track.	Three rails.	Unfinished grade.	Subsidiary.	Non- operative.
Burlington & Colorado.....	174.89	28.45	-----	13.00	-----	-----
Colorado & Wyoming.....	144.58	9.05	-----	-----	-----	-----
Denver, Utah & Pacific.....	35.67	25.19	-----	3.95	-----	-----
Denver, Golden & Salt Lake.....	-----	1.34	-----	-----	-----	-----
Pueblo & Arkansas Valley.....	245.36	42.65	-----	-----	-----	-----
Denver & Santa Fe.....	112.58	18.13	-----	-----	-----	-----
Canon City Branch.....	43.89	12.20	-----	-----	-----	-----
Denver Circle.....	9.68	1.57	-----	-----	-----	-----
Golden City & South Platte Railway & Telegraph Co.....	1.73	-----	-----	-----	-----	-----
Pueblo & State Line.....	152.12	12.20	-----	-----	-----	-----
Chicago, Rock Island & Pacific.....	165.62	16.44	-----	-----	-----	-----
Colorado Eastern.....	16.60	0.30	-----	-----	3.22	-----
Colorado Midland.....	275.75	46.12	-----	-----	-----	-----
Union Division U. P.....	8.86	1.22	-----	-----	23.39	-----
Kansas Division U. P.....	194.21	40.38	-----	-----	-----	-----
Cheyenne Division U. P.....	95.07	13.82	-----	-----	-----	-----
U. P., Denver & Gulf, standard.....	285.69	45.98	-----	-----	-----	-----
U. P., Denver & Gulf, narrow.....	75.97	30.50	15.38	-----	-----	-----

RAILROAD MILEAGE—*Concluded.*

	Miles main line.	Side track.	Three rails.	Unfinished grade.	Subsidiary.	Non-opera- tive.
Denver & Boulder Valley.....	26.97	7.42	—	—	—	—
U. P., Denver & Gulf, South....	224.95	53.37	—	—	—	—
Denver, Leadville & Gunnison	299.46	48.46	—	—	—	19.20
Denver, Union Ry. & Terminal	—	18.48	—	—	—	—
Denver & Rio Grande.....	1017.70	332.30	275.60	—	—	6.30
Rio Grande Junction.....	62.08	5.30	—	—	—	—
Rio Grande Southern.....	172.40	8.30	—	—	—	—
Rio Grande Western.....	34.02	1.77	—	—	—	—
Silverton.....	17.00	1.75	—	—	—	—
Manitou & Pike's Peak.....	8.70	0.50	—	—	—	—
Aspen & Western.....	12.88	—	—	—	—	—
La Plata.....	4.00	0.50	—	—	—	—
Stone Mountain Ry. & Quarry Co	3.50	0.25	—	—	—	—
Little Book Cliff.....	10.20	0.50	—	—	—	—
South Park & Leadville Short Line.....	7.30	—	—	—	—	—
Denver, Lakewood & Golden.....	11.56	1.41	—	—	—	—
Gilpin Tramway.....	12.00	5.00	—	—	—	—
Totals.....	3,962.99	830.85	290.98	16.95	26.61	25.50

Total mileage of railroads in the State, 5,153.88 miles.

RAILROAD REPORTS AND ACCOUNTS.

I have found great difficulty with respect to the character of reports made by railroad corporations whose lines extend beyond Colorado. They invariably report their entire system as a unit, and such yearly reports are not susceptible of separation. The best we can do is to estimate the tonnage, number of men employed, operating expenses, etc. This is true of all the roads within the State, with the exception of the Midland railway and the Denver & Rio Grande railroad; the last named companies' reports are full, intelligible, instructive, complete, and evidently made by their officers with a desire to fully inform this department of all the operations of their respective roads. The several railroad companies throughout the State should be compelled

by statute to keep separate and distinct accounts of any and all traffic and passenger business that they may carry on within our borders, and keep separate and distinct accounts of all branches of their business, construction, operating expenses and in fact every detail that pertains to their business in Colorado. A person should be designated by each railroad corporation on whom legal service may be had. There are numbers of roads operating within the State where it is difficult to find on whom to serve a legal process, and for the protection of the citizens of the State of Colorado, this condition of affairs should no longer exist, but be cured by plain, stringent and unmistakable law.

REPORTS AND STATISTICS.

The reports and statistics which I have gathered during my term of office and which should properly be made a portion of this report, such as the annual reports of railroads, reports of accidents, reports of controversies between citizens of Colorado and the railroads and other data pertaining to this department, would, in my opinion, make a volume of some eight hundred pages, and should, I think, be ordered published by the Legislature.

The originals of these reports are on file in this department and are at the service of your Excellency, Members of the Legislature and others who may feel interested in the subject of railroad legislation.

All of which I beg most respectfully to submit to your Excellency.

Your obedient servant,

WILLIAM A. HAMILL,

Railroad Commissioner.

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